

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**



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Application of PACIFICORP (U 901 E), an
Oregon Company, to Continue its Energy
Efficiency Programs, the Surcharge to Fund
Public Purpose Programs and Bridge Funding
for Program Year 2027

Application No. 25-09-____
(Filed September 30, 2025)

**APPLICATION OF PACIFICORP (U 901-E) TO CONTINUE ITS ENERGY
EFFICIENCY PROGRAMS, THE SURCHARGE TO FUND PUBLIC PURPOSE
PROGRAMS, AND BRIDGE FUNDING FOR PROGRAM YEAR 2027**

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Date: September 30, 2025

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**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Application of PACIFICORP (U 901 E), an Oregon Company, to Continue its Energy Efficiency Programs, the Surcharge to Fund Public Purpose Programs and Bridge Funding for Program Year 2027

Application No. 25-09-____
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**APPLICATION OF PACIFICORP (U 901-E) TO CONTINUE ITS ENERGY
EFFICIENCY PROGRAMS, THE SURCHARGE TO FUND PUBLIC PURPOSE
PROGRAMS, AND BRIDGE FUNDING FOR PROGRAM YEAR 2027**

I. INTRODUCTION

In accordance with Rule 3.2 of the California Public Utilities Commission’s (CPUC or Commission) Rules of Practice and Procedure, PacifiCorp d/b/a Pacific Power (PacifiCorp or the Company) respectfully files this Application seeking an order: (1) authorizing PacifiCorp to redesign and continue operating its energy efficiency programs from 2027 through 2030 with a budget of \$7.17 million for the funding cycle;¹ (2) approving a continuation of the Surcharge to Fund Public Purpose Programs (“Surcharge”), tariff Schedule S-191, to continue operation and funding of its existing programs through 2027, designated for these programs under Public Utility Code §381 (Section 381);² and (3) authorizing PacifiCorp to continue to request adjustments to the Surcharge collection rates via the Tier 2 advice letter process; and (4) approving bridge funding

¹ Should the Commission approve the Company’s request for bridge funding for program year 2027, the budget request for program years 2027-2028 would be \$5,384,961.

² The Commission first authorized PacifiCorp to adjust the Surcharge through the advice letter process in Decision (D.)14-04-008.

for Program Year 2027.³ As explained more below, a change to Public Purpose Charge (Schedule S-191) is not requested or needed at this time.

Most notably, this application proposes a redesigned energy efficiency program model that responds to persistent and systemic challenges in PacifiCorp's California service territory including a small, remote customer base, diminishing measure eligibility, declining savings per measure, and rising implementation costs. These factors have increasingly strained the cost-effectiveness and impact of PacifiCorp's current program structure.

To address these issues, this application proposes a unified, measure-based direct-install delivery model that consolidates residential and small commercial offerings into a single Equity program. This approach is designed to streamline operations, reduce implementation costs, and increase the proportion of funds directed toward customer incentives—particularly for Hard-to-Reach (HTR), Tribal, and Disadvantaged Communities (DACs).

PacifiCorp currently offers three energy efficiency programs to its California customers: Wattsmart Homes (WSH; Schedule D-118), Wattsmart Business (WSB; Schedule A-140), and Home Energy Reports (HER; Schedule S-191), (collectively referred to as Programs).⁴ These ongoing Programs,⁵ which have been authorized to operate through the end of 2026,⁶ offer energy efficiency solutions to residential, commercial, industrial, and irrigation customers. The Programs

³ Per informal guidance from Energy Division Staff, PacifiCorp is filing this Application for the 2027-2030 cycle as well a request for bridge funding for program year 2027. This will provide adequate time for the Commission to review this application and for the Company to design, develop, and launch a modified efficiency program, in 2028 while allowing energy efficiency programs to continue operationally in 2027.

⁴ In addition to these programs, PacifiCorp offers the Energy Savings Assistance Program to income-qualified customers.

⁵ The Home Energy Savings and Wattsmart Business programs are ongoing, and PacifiCorp anticipates making commitments under the current programs for projects that may not be completed until a later year, potentially after 2026.

⁶ Application of PacifiCorp (U901E), an Oregon Company, to Continue its Energy Efficiency Programs and the Surcharge to Fund Public Purpose Programs, Application 20-12-018, D.21-12-034 (Dec. 16, 2021).

have been managed since 2007 and kept current by periodically adjusting to marketplace conditions and evolving building energy efficiency codes and standards. In 2020, as directed by the Commission, the Programs were revised to align with statewide workpapers consistent with the energy efficiency framework for the state's large investor-owned utilities. In 2022, the Wattsmart Homes program was no longer able to achieve cost effectiveness, and the state granted the Company's request for the program to be run as an Equity program. In 2023, PacifiCorp filed Advice Letter 706-E-A to launch an Equity-based Home Energy Reports program to serve Hard-to-Reach (HTR) and Disadvantaged (DAC) customers with the understanding that the program was too small to achieve verifiable savings. In 2024, PacifiCorp filed Advice Letter 747-E to run all programs including Home Energy Reports, Wattsmart Homes, and Wattsmart Business as Equity programs to address the ongoing erosion of achieving cost effective savings in a rural territory with a high percentage of HTR and DAC customers. In consultation with Energy Division Staff and in preparing this application, the programs were revised significantly in 2025 to align with an Equity portfolio. Within this context, PacifiCorp consulted with Energy Division Staff to develop a framework that would achieve higher savings projections and distribute increased incentive expenditures to customers for long-term electrification measures. The Company's proposal is further summarized below.

II. PROGRAM PROPOSAL SUMMARY

This application proposes fundamental changes to program design and delivery to address the challenges with rising delivery costs, decreasing savings potential, and cost effectiveness constraints. This application presents methods and strategies intended to improve expenditure distribution away from implementation to more direct incentives for customers, increase opportunities for rural and income constrained communities, and decrease energy usage through

electrification-based efficiency opportunities that support California's Environmental and Social Justice Plan (ESJ Plan). An overview of what is presented in this application includes:

- Shifting the distribution of incentive dollars from 18% in 2024 to 56% during each year of the 2027-2030 program cycle.
- Lowering the percentage of administration, evaluation, and implementation funds from 82% in 2024 to 44% during each year of the 2027-2030 program cycle.
- Addressing the ~42% year-over-year decline in portfolio level savings with a 36.5% increase in projected savings compared to 2024.
- Incentive rates are designed to provide all customers, regardless of socioeconomic status, with the ability to participate.
- Program offerings with a variety of measures with the highest energy use systems with greatest potential to reduce energy use and lower customer energy bills.
- Alignment with the Inflation Reduction Act measure funding.
- Implementation of a delivery channel using regional trade allies that support their businesses with a model that encourages the promotion of high-efficiency measures.
- Combining residential and commercial incentives into one holistic program offering; discontinuing irrigation pumping offerings, ending agricultural customers paying into these programs.

III. BACKGROUND

PacifiCorp is a multi-jurisdictional utility providing electric service to retail customers in California, Idaho, Oregon, Utah, Washington, and Wyoming. PacifiCorp serves approximately 45,000 customers in Del Norte, Modoc, Shasta and Siskiyou counties in Northern California. PacifiCorp's California service territory spans 11,292 square miles and is characterized by very low population density. PacifiCorp serves on average four customers per square mile. All of PacifiCorp's customers meet the geographic criteria of Hard-to-Reach in D.18-05-041 referenced in D.18-11-033. In addition, the percentage of customers who fall into the extremely low to low-

income category⁷ ranges from 40 percent in Shasta County⁸ to 41 percent in Modoc County.⁹ The rural nature of PacifiCorp's service territory and lower than average income are barriers outlined in the definition of hard-to-reach customers.

The Commission initially authorized PacifiCorp's energy efficiency programs in D.08-01-041 and subsequently approved PacifiCorp's request to continue administering its energy efficiency programs through 2016, in D.14-04-008. On June 8, 2016, PacifiCorp filed a petition for modification of D.14-04-008 to continue administration and funding of its energy efficiency programs through 2017. The Commission, in D.16-09-052, granted PacifiCorp's petition. On September 15, 2017, PacifiCorp filed a petition for modification of D.16-09-052 to continue administration and funding of its energy efficiency programs through 2018. In D.17-11-020, the Commission authorized PacifiCorp to continue its energy efficiency programs through 2018. Concurrent with its petition for modification of D.16-09-052, PacifiCorp filed Application A.17-09-010 to request Commission authorization to continue administering the programs from 2018-2020. On November 29, 2018, the Commission adopted D.18-11-033 authorizing PacifiCorp's requests to continue operating energy efficiency programs through 2020. On August 13, 2020, PacifiCorp filed a Petition to Modify D.18-11-033 seeking authorization to extend its energy efficiency programs through 2021 in accordance with all findings of D.18-11-033. The Commission issued D.20-11-032 on November 23, 2020 authorizing PacifiCorp to 1) continue its

⁷ The extremely low to low-income categories are very similar to the income limits in Pacific Power's California Alternate Rates for Energy (CARE) Program Application, which is the criteria for defining hard-to-reach customers based on income in D.18-05-041.

⁸ https://www.hcd.ca.gov/community-development/housing-element/docs/shasta_county_regional_housing_need_determination_for_the_sixth_housing_element_update_1.pdf

⁹ https://www.hcd.ca.gov/community-development/housing-element/docs/modoc_county_regional_housing_need_determination_and_plan_for_the_sixth_housing_element_update_1.pdf

energy efficiency programs through 2021, 2) collect \$1.9 million through its Public Purpose Programs Surcharge to administer its energy efficiency programs during program year 2021, 3) not exceed \$2.4 million in energy efficiency portfolio expenditures during program year 2021, and 4) to file an application no later than December 31, 2020 to continue its energy efficiency programs beyond 2021.

On December 31, 2020, PacifiCorp filed Application (A.) 20-12-018 to continue its energy efficiency programs beyond 2021. On December 20, 2021, the Commission issued D.21-12-034 approving A.20-12-018 and authorized PacifiCorp to continue administering its energy efficiency programs from 2022-2026 and its surcharge to fund public purpose programs. This application is being submitted in accordance with that order.

A. Compliance

PacifiCorp has complied with orders of D.21-12-034 as described below.

- a. Aligned with the state's larger investor-owned utilities to file this application for program years 2027-2030, including the Cost Effectiveness Tool and Four-year Portfolio filings template.
- b. Included avoided costs in the statewide California Energy Data and Reporting System cost effectiveness tool (CEDARS CET).
- c. Submitted a plan, budget and timeline for implementation of a home energy reports plan in residential hard-to-reach and Tribal households via Tier 1 advice letter and launched the Home Energy Reports program.¹⁰
- d. Submitted Biennial Budget Advice Letters (BBAL) 697-E for program years 2023-2024 and 747-E for program years 2025-2026.

Outstanding issues as ordered in D.21-12-034 are described below.

- a. The directive for the Company to submit a Tier 1 advice letter for a fuel switching pilot within 6 months of the findings of the San Joaquin Valley Disadvantaged Communities (SJV DAC) pilot is pending the final filing of the SJV DAC fuel switching pilot evaluation.

¹⁰ Advice Letter 675-E.

PacifiCorp proposes measures in this Application to serve customers who wish to switch from wood, propane, or other fuel sources to electric heating and cooling.

- b. PacifiCorp has been unable to conform to Overall Portfolio Level metrics requirements as reported and presented in both 2024 annual reporting and the BBAL for 2025-2026.¹¹ In meetings held with Energy Division Staff on 03/24/2025 and 05/07/2025, PacifiCorp communicated these challenges and provided the rationale for the changes proposed in this application, to deliver efficiency programs as an Equity portfolio.

IV. PACIFICORP'S ENERGY EFFICIENCY PROGRAMS IN CALIFORNIA

A. Description of Current Efficiency Programs

PacifiCorp serves residential and commercial customers. Wattsmart Homes (Schedule S-119) is an Equity program offering incentives to customers residing in single family, multifamily, and manufactured homes. Incentivized measures include Kits, Small Appliances, Appliances, and Heating, Ventilation and Cooling (HVAC) upgrades. Program delivery channels include trade allies, kits, coupons, retail partnerships, and limited time offers. Home Energy Reports (Schedule S-191) is an Equity program designed to help residential Tribal and Hard-to-Reach customers by providing comparisons of their household energy usage to similar residences. The program offers recommendations for no-and low-cost changes to save energy. Wattsmart Business (Schedule A-140) is a Resource Acquisition program that serves non-residential customers in California with prescriptive and custom incentives for commercial, industrial, and agricultural measures that are delivered through a variety of traditional program models.

¹¹ Biennial Budget Advice Letter 747-E and 2024 Review of Energy Efficiency Programs, March 2025 https://www.pacificorp.com/content/dam/pcorp/documents/en/pacificorp/environment/dsm/california/California_Annual_Energy_Efficiency_Program_Report_2024.pdf.

B. Status of Current Efficiency Programs

Pacific Power efficiency programs have been facing challenges as savings continue to decline while implementation costs rise, making it increasingly difficult to meet cost effectiveness standards. Table 1 presents the limited impact that two residential programs (Wattsmart Homes and Home Energy Reports) generated under the current program model between 2022 and 2024. Pacific Power's Wattsmart Business program also experienced a dramatic decline in savings over this time period – nearly 75% from 2022 to 2024.

<i>Table 1: 2022-2024 Reported Savings</i>				
Year	Total Res. (WSH & HER) Gross kWh @ Gen	Total WSB Gross kWh @ Gen	Total Gross kWh @ Gen	% Change
2022	13,136	2,230,071	2,243,207	
2023	153,647	1,076,864	1,230,511	-45.1%
2024	187,618	546,095	733,713	-40.4%
Total	354,401	3,853,030	4,207,431	

The conditions that exist within Pacific Power's territory include a small population of remote customers, many below the median income level, combined with a diminishing list of eligible measures and lower savings per measure. These issues have placed increased pressure on achieving savings targets and cost effectiveness, which are further impacted by higher implementation costs. These conditions resulted in the Wattsmart Homes transitioning from Resource Acquisition to Equity program in 2022. Home Energy Reports launched in 2024 as an Equity program due to the inability to achieve statistically verifiable savings from the small treatment population of HTR and DAC customers. Wattsmart Business has also experienced consistent declines in savings and cost effectiveness and is no longer able to meet targets, as reported in the 2024 Annual Report and 2025-2026 BBAL. Given these ongoing challenges, PacifiCorp is proposing to transition Wattsmart Business to an Equity program. The pressures on

program savings and cost effectiveness are expected to persist, driven by systemic conditions rather than isolated events. The effect of these conditions is that Pacific Power's current efficiency program model is increasingly directing funds away from customer incentives and toward implementation costs, widening the imbalance in program spending.

C. Addressing Ongoing Challenges with a New Delivery Model

An underlying component of Pacific Power's territory is that all customers meet the rural designation of the HTR classification. It is within this context that our approach is to increase opportunity equitably for all customers through increased incentives for measures that have high energy demand and improved non-energy benefits. PacifiCorp proposes a delivery model that is intended to increase the percentage of expenditure going to customers, lower the percentage of funds spent on program implementation, maximize participation – particularly among HTR customers and DACs. The proposed approach incorporates strategies that better align with the CPUC's ESJ Plan and the state's greenhouse gas reduction goals. To achieve this, PacifiCorp is proposing six fundamental changes to its energy efficiency programs.

1. Run a measure-based program in place of the current sector-based programs.¹² PacifiCorp will administer both Wattsmart Homes and Wattsmart Business programs as a single Equity program that focuses on select measures that will have the greatest impact on customer energy usage. This will require transitioning to an Equity portfolio.
2. PacifiCorp will limit its commercial service to small commercial customers for HVAC measures while maintaining lighting measure availability to all commercial customers. The

¹² Though PacifiCorp is proposing to merge Wattsmart Homes and Wattsmart Business programs, analysis of costs, savings, and cost effectiveness are provided across commercial and residential programs.

program will remove irrigation pumping measures and cancel Rate Schedule 06APSV0020 ending agricultural customers paying into this schedule.

3. Expand Home Energy Reports to all residential customers and introduce Business Energy Reports for small business customers. This will provide all residential and small commercial customers with access to relevant information on cost savings measures rather than limiting it to the approximate 5,272 treatment group of customers. Home Energy Reports will end treatment and control groups and no longer attempt to quantify savings but offer it as a non-cost service to all eligible customers. PacifiCorp will report on the program effectiveness by measuring email open rates, click-through rates, and customer satisfaction levels through surveys.
4. Revise the measure mix to focus on larger, high energy consumption systems including Heat Pumps, Heat Pump Water Heaters, Heat Pump Driers, and Duct Sealing (for residential customers) and lighting (for commercial customers). By shifting incentives away from small measures that achieve small amounts of savings, program resources will focus on more impactful measures that also align with California's electrification goals. Exhibit A includes the list of proposed measures.
5. Utilize a direct-install delivery model supported by a network of trade allies operating within the Company's territory. This approach will involve partnering with contractors to perform direct installations at cost levels that align with their business models and influence their customers' participation. The goal is to reduce implementation costs and streamline the commercial and residential programs using a single, unified delivery channel. Program staff will be able to work closely with trade allies by combining and leveraging additional funding sources, including Inflation Reduction Act (IRA) funds. This model is designed to

maximize customer participation and extend the impact of program funding, allowing the public purpose charge funds to go further, while enhancing overall program efficiency and effectiveness.

6. Set incentives at levels that remove financial barriers to adopting higher cost efficiency measures for residential and small commercial customers. Residential customers will also be eligible for no-cost duct sealing and commercial customers will be eligible for LED lighting. Additionally, Energy Efficiency Kits will continue to be utilized as a tool to engage tribal customers and raise awareness of program offerings.

The intent of these program design changes is to address the challenges of serving a small, dispersed population spread across a large, remote territory where lower savings and higher costs have led to disproportionate spending on implementation rather than supporting customer incentives. Data indicates that rising equipment and installation costs, measure attrition and declining savings potential will continue to challenge program cost-effectiveness under the Company's current program model. PacifiCorp's objective is to achieve greater alignment with the Commission's ESJ Plan through one holistic program that expands access to incentives and enable residential and small commercial customers in the Company's remote service territory to adopt high-efficiency measures for their highest energy-using systems. The measure selection also aligns with IRA measures to enhance the potential for Hard-to-Reach and Tribal customer participation.

D. Hard-to-Reach and Disadvantaged Communities

PacifiCorp aims to enhance participation among Hard-to-Reach and Tribal customers by setting incentives at levels that minimize or eliminate out-of-pocket costs that cover the incremental difference between standard and higher-efficiency measures. The desired outcome is

to achieve increased participation among all customers and customer segments including HTR and Tribal communities.

E. Tracking Hard-to-Reach and Disadvantaged Communities Participation

PacifiCorp uses the definitions and descriptions of Hard-to-Reach and Disadvantaged Communities in D.18-05-041, pages 159-160 that were defined pursuant to the criteria identified in CPUC Resolution G-3497. The Company is currently collecting the data used to identify participants who meet the Hard-to-Reach criteria defined in D.18-05-041. Currently, only tribal communities served by PacifiCorp meet the definition of Disadvantaged communities, as defined by CalEnviroScreen 4.0.¹³

PacifiCorp's annual reports provide Hard-to-Reach and Disadvantaged Communities (Tribal) participation. The process has relied on self-reporting on energy efficiency program enrollment applications with customers answering demographic questions that include dwelling type, rental status, language, California Alternate Rates for Energy (CARE) qualification, number of employees, etc. This process has been used to track and report on Hard-to-Reach and Tribal participation levels.

With the proposed direct-install delivery model, standard applications would be phased out. While trade allies could use modified forms to collect demographic data, this approach presents challenges, including customer privacy concerns and potential inaccuracies in contractor reporting. To address these issues, PacifiCorp proposes capturing Hard-to-Reach and Tribal data using geographic mapping and defined census tract data for reporting purposes. This method, already in use in the Company's other jurisdictions, enables tracking across more than 20 Hard-to-Reach segments and provides actionable insights to improve outreach.

¹³ <https://oehha.ca.gov/calenviroscreen>

V. TARGET SETTING PROCESS

PacifiCorp has historically defined targets based on the most current and available forecasted data that combines the Company's Integrated Resource Plan and analysis from its third-party consultant, ICF. PacifiCorp has relied on ICF (formerly AEG) for validation of past target setting in Applications and previous Biennial Budget Advice Letters. For this Application, the Company has adopted a new approach for target setting but continues to rely on analysis and modeling from ICF to support the validity of cost effectiveness, avoided costs, and other key metrics.

PacifiCorp applied a new target setting approach that analyzed five years of savings to forecast future performance and account for measure attrition and decreased savings by measure. The updated measure mix discontinues small, low savings measures and prioritizes those with higher savings potential. This approach also incorporated the potential impact of influencing customer participation through higher incentives using insights from an existing network of contractors and program implementers across sectors. Barring unforeseen events, the Company anticipates this proposal will achieve a consistent level of savings across each year of the 2027-2030 cycle. This is based on the territory size and characteristics, availability of contractors, and the expectation that the existing measure mix across heat pumps, heat pump water heaters, heat pump driers, duct sealing, smart thermostats, and commercial lighting will remain within the electronic Technical Reference Manual (eTRM) or Regional Technical Forum (RTF) lists of eligible measures at consistent savings rates.

A. Target Setting Analysis Results

Tables 2 and 3 below present the savings and expenditure results from analysis performed for this Application. Savings were discounted by 10% per eTRM requirement to

apply a 0.9 realization rate for direct-install measures, as proposed by the Company.

<i>Table 2: 2027-2030 Savings Targets (Gross kilowatt-hour (kWh) at Generator)</i>					
Program	2027	2028	2029	2030	Total
Wattsmart Business	723,943	723,943	723,943	723,943	2,895,773
Wattsmart Homes	277,893	277,893	277,893	277,893	1,111,573
Home Energy Reports	0	0	0	0	0
Total KWH	1,001,837	1,001,837	1,001,837	1,001,837	4,007,346

Savings projections of 1,001,837 kWh in Table 2 represent a 36.5% increase compared to 733,713 kWh in 2024, reversing the downward trend shown in Table 1, as the Company has experienced. Home Energy Reports (HER) has not achieved savings since the program launched in January 2024. PacifiCorp will expand the HER program to include all residential and small commercial customers as a service to customers without the intent to claim savings through treatment and control groups.

<i>Table 3: 2027-2030 Estimated Expenditures to Achieve Targets</i>					
Program	2027	2028	2029	2030	Total
Wattsmart Business	\$705,248	\$705,248	\$705,248	\$705,248	\$2,820,992
Wattsmart Homes	\$989,739	\$989,739	\$989,739	\$989,739	\$3,958,956
Home Energy Reports	\$100,000	\$100,000	\$100,000	\$100,000	\$400,000
Total Expenditures	\$1,794,987	\$1,794,987	\$1,794,987	\$1,794,987	\$7,179,948

*Expenditure in Table 3 were revised from ICF's models based on a refinement that reduced evaluation and administration costs by \$40,000.

Table 3 provides total expenditure across the portfolio. Wattsmart Business achieves higher savings for less cost because lighting measures have a lower cost/kWh ratio whereas Wattsmart Homes is essentially a heating and cooling equipment-based program.

Table 4 provides a breakout of expenditure allocation across the Commission's cost categories. The direction of program expenditure percentages shows that more funds are allocated to customer incentives than administration, implementation, and evaluation combined.

Table 4: 2027-2030 Estimated Breakdown of Expenditures						
Cost	2027	2028	2029	2030	Total	% of Total
Admin. Costs	\$ 95,000	\$ 95,000	\$ 95,000	\$ 95,000	\$ 380,000	5%
Incentive Payments	\$ 1,013,348	\$ 1,013,348	\$ 1,013,348	\$ 1,013,348	\$ 4,053,392	56%
Direct Implementation (Non-incentives)	\$ 671,639	\$ 671,639	\$ 671,639	\$ 671,639	\$ 2,686,556	37%
Program Evaluation	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 60,000	1%
Total Expenditures	1,794,987	1,794,987	1,794,987	1,794,987	7,179,948	100%

For reference, Table 4.1 provides a comparison between portfolio expenditures from the Company's 2024 Annual Report figures to proposed expenditures for 2027-2030 under the proposed program model which shows cost across administration, implementation, and evaluation decreasing (from 82 to 44%) while funds for incentives increase (from 18 to 56%), relative to 2024. The Company notes that these estimates represent an average and the actual expenditures may vary some during the four-year cycle.

Table 4.1 : 2027-2030 Estimated Percentage of Expenditures Compared to 2024 Annual Report by Category		
Category	2024 Distribution	2027-2030 Avg Distribution
Administrative Costs*	11%	5%
Incentive Payments	18%	56%
Direct Implementation (Non-incentives)	56%	37%
Program Evaluation	15%	1%
Total Expenditures	100%	100%

*2024 Annual Report lists Administrative Costs at 10% and 1% for Marketing, Education, & Outreach. Administrative Costs in the above table are 11% because CEDARS CET now incorporates Marketing, Education, & Outreach costs into Administrative Costs rather than being a separate cost category.

These shifts result from a budget increase to provide higher incentives, while collectively lowering administration, implementation, and evaluation costs achieved by the efficiency of combining WSB and WSH into a single program.

B. PacifiCorp's Cost Category Reporting Descriptions

1) Administrative costs

- a) Fully loaded labor costs for Company staff associated with California demand-side management programs
 - i) Includes costs for internal Company staff labor (e.g. program managers and staff supporting Evaluation, Measurement and Verification (EM&V), reporting, direct implementation)

- ii) Includes employee expenses associated with programs
 - iii) Includes in-house contractor labor and expenses
 - iv) Includes membership dues associated with programs
 - v) IOU administered marketing, education, and outreach
- 2) Incentive Payments/Contractor Payments
 - a) Partner incentives for direct installations
 - b) Wattsmart Homes - kits
- 3) Direct implementation non-incentives
 - a) Outsourced program delivery costs
- 4) Program Evaluation (EM&V)
 - a) Outsourced program evaluation costs (consultant costs only)
 - b) Outsourced costs for cost-effectiveness analysis for evaluations, annual report (consultant costs only)

VII. Cost Effectiveness

A. Cost Effectiveness Methodology

PacifiCorp is filing this application for program years 2027-2030 in alignment with the state's large investor-owned utilities as required by Decisions (D.) 21-05-031 and D.21-12-034, including using the Cost Effectiveness Tool and Four-Year Portfolio filings template.

Net energy savings and all costs, including those for internal labor (overhead) and evaluations were included in the assessment. Results for both the Total Resource Cost (TRC) and Program Administrator Cost (PAC) test components of the Dual-Test were calculated.

The TRC test measures net costs as a resource option based on the total costs for participants and the utility. The TRC benefits are the net present value of the supply-side resources avoided or deferred. The TRC is the present value of the net costs to participants plus all the costs incurred by the program administrator.

Under the PAC test, program benefits are the same as those used in the TRC test. The costs are only those incurred by the program administrator and exclude those incurred by participating customers.

B. Portfolio Cost Effectiveness Analysis and Results

Table 5 includes output generated from the CET that shows a nearly equal TRC and PAC cost effectiveness level indicating that program incentives average near 100% of customers' incremental cost. Incremental cost increases reflect a measure mix that emphasize higher cost, longer life, and larger energy usage systems including heat pumps, heat pump water heaters, and heat pump dryers. This represents a focus away from a measure mix that includes small savings products such as small appliances and air purifiers that have little impact on reducing customer energy usage and California greenhouse gas reduction.

Table 5: CET TRC and PAC Cost Effectiveness Outputs					
Year	Total System Benefit	TRC	PAC	TRC (no admin)	PAC (no admin)
2027	\$829,693	0.48	0.47	0.92	0.87
2028	\$795,732	0.50	0.48	0.95	0.90
2029	\$768,451	0.52	0.50	0.99	0.93
2030	\$734,102	0.54	0.52	1.02	0.96

As reported in the 2024 Annual Report and the 2025-2026 BBAL, neither Wattsmart Homes nor Wattsmart Business are able to achieve Resource Acquisition cost effectiveness and serves as the rationale to run the entire portfolio of Wattsmart Homes (existing Equity), Home Energy Reports (existing Equity) and Wattsmart Business (running as Equity per 2025-2026 BBAL) as an Equity portfolio. While the TRC and PAC results in Table 5 are low, it should be noted that the rates are an increase over 2024 results which had a portfolio TRC of 0.34 and PAC of 0.40.¹⁴ Table 6

¹⁴ 2024 Annual Report Table 18.

presents the incremental measures costs generated by ICF's models in the CET. Incremental costs are incurred by program participants (before incentives) to purchase and implement energy efficiency and energy management measures. The projected \$1.05/kWh incremental cost during the 2027-2030 cycle is a result of significantly higher incentives for more expensive, long-life heating and cooling systems. For this application Database for Energy Efficient Resources (DEER) prescriptive measure assumptions were used for all HVAC. Commercial lighting included a combination of measures from the eTRM and Regional Technical Forum.

Table 6: Incremental Measure Costs/kWh for the Portfolio				
CATEGORY	2027	2028	2029	2030
Incremental Measure Costs	\$1,054,053	\$1,054,053	\$1,054,053	\$1,054,053
Gross Savings (kWh)	1,001,837	1,001,837	1,001,837	1,001,837
Incremental Measure Costs \$/kWh	\$1.05	\$1.05	\$1.05	\$1.05

Table 7 shows the collective out-of-pocket cost customers will pay to cover the total incremental amount between baseline and efficiency measures. Of the total \$1.05/kWh incremental cost on average customers will pay \$0.04/kWh.

Table 7: Customer Contribution of Incremental Costs				
Category	2027	2028	2029	2030
Incentive Totals	\$1,013,348	\$1,013,348	\$1,013,348	\$1,013,348
Customer Out-of-Pocket	\$40,705	\$40,705	\$40,705	\$40,705
Customer Cost \$/kWh	\$0.04	\$0.04	\$0.04	\$0.04

This is seen in the parity between the TRC and PAC cost effectiveness outputs with Total System Benefits generated by CEDARS CET presented in Table 8.

Table 8: ICF 2027-2030 Portfolio Level Cost-Effectiveness Results											
Year	Total System Benefit	TRC	PAC	TRC (no admin)	PAC (no admin)	RIM	Budget	Gross kWh	Gross kW	Net kWh	Net kW
2027	\$829,693	0.48	0.47	0.92	0.87	0.47	\$1,794,987	1,001,837	342	716,377	225
2028	\$795,732	0.50	0.48	0.95	0.90	0.48	\$1,794,987	1,001,837	342	716,377	225
2029	\$768,451	0.52	0.50	0.99	0.93	0.50	\$1,794,987	1,001,837	342	716,377	225
2030	\$734,102	0.54	0.52	1.02	0.96	0.52	\$1,794,987	1,001,837	342	716,377	225
2027-2030	\$3,127,978	0.51	0.49	0.97	0.91	0.49	\$7,179,948	4,007,346	1368	2,865,509	898

C. Review of Portfolio Targets and Cost Effectiveness

The cost effectiveness results in Table 8 illustrate that the portfolio is not cost-effective. The TRC and PAC for each individual program and the portfolio is below 1.0. PacifiCorp has provided reports, advice letters, and discussed with Energy Division Staff the challenges associated with achieving 1.0 in cost effectiveness metrics. PacifiCorp recognizes that administering Wattsmart Business as a Resource Acquisition program would result in continued misalignment with cost effectiveness targets.

VIII. PROPOSED PROGRAM FRAMEWORK AND 2028-2030 FUNDING

The following framework for 2027-2030 is intended to continue PacifiCorp's alignment with the large investor-owned utilities while recognizing some unique aspects of the Company's service area in California.

A. Alignment with the Commission's Rolling Portfolio Framework

PacifiCorp is proposing the following in this Application, to continue alignment with the Rolling Portfolio Framework:

1. Equity Portfolio with all sectors falling under the Equity classification.
2. PacifiCorp must track and report the overall portfolio-level common metrics adopted in D.18-05-041.

The Company recognizes in D.21-12-034, the Commission stated administrative costs should be consistent across all IOUs and set a cost cap on administration expenses of 10 percent of total energy efficiency expenditures. While the administrative costs for the portfolio came in below 10 percent as presented in the 2024 Annual Report and projected in the 2025-2026 BBAL, this has become more challenging as savings have declined. To address this challenge, PacifiCorp has presented a revised program model that breaks out costs by category and demonstrates administrative expenses below 10 percent. Continuing the status quo of running three programs in

their current models would place more pressure on administrative and implementation costs and limits the impact programs would be able to have on serving customers.

A. Cycle Review

With the proposed bridge year in 2027, this application effectively requests to run the new Equity portfolio for program years 2028-2030. Over this three-year period, PacifiCorp anticipates maintaining consistency across key metrics specific to HTR and DAC participation, while achieving savings targets and staying within the budget cap. As an Equity portfolio, reporting metrics will differ from Resource Acquisition programs that are currently provided in BBAL filings. Given the three-year period of this cycle, PacifiCorp proposes postponing submittal of a Mid-Cycle Budget Advice Letter which would fall mid-year 2029. In lieu of a Mid Cycle Advice Letter, PacifiCorp proposes filing an annual report in September each year with program results for the year prior. Once a final Commission order is received in this application, the Company proposes working with Energy Division Staff to develop an ongoing reporting structure and template to capture key metrics associated with the new program model. This will allow PacifiCorp and the CPUC to assess the success and viability of continuing the proposed program model in the following beginning in 2031 or propose further program modifications as appropriate.

B. Opportunity for Check-ins and Staff Engagement

PacifiCorp appreciates the opportunity for engagement with Energy Division Staff, given the magnitude of regulatory activity taking place at the California Public Utilities Commission, particularly given the Company's relatively small energy efficiency portfolio. PacifiCorp further appreciates the dialog with Staff allowing for open and constructive discussion on the challenges and opportunities addressed in this application.

PacifiCorp will plan on operating programs in their current form in 2027 under the Bridge Year application to allow for a thorough development and approval process to launch redesigned efficiency programs. If PacifiCorp is able to design and set up a redesigned program prior to 2027, the 2027-2030 Application provides the cost and savings analysis beginning in 2027. For 2027-2030, PacifiCorp will file an annual review of prior year energy efficiency programs¹⁵ by the last business day in March. The annual review will also serve as a check-in and provide updated information on program results and plans and opportunity for interaction with and direction from Staff.

C. Program Change Process

PacifiCorp proposes to continue following the established program change process to remain aligned with potential updates to statewide workpapers, market data, and other relevant inputs, but anticipates some modifications upon Wattsmart Business and Wattsmart Homes becoming a single program. PacifiCorp Schedule D-118 Provisions of Services specifies program offers may be changed with a prominent notice on the program web site and 45 day noticing period. PacifiCorp provides the proposed changes to stakeholders for review and comment prior to posting on the web site. The relevant text describing the proposed change process was originally proposed in Application 07-07-011, Appendix J, page 2, and is provided below.

“The comprehensive nature of the Program and changing equipment standards indicate that a flexible and market-driven program delivery is required. PacifiCorp is proposing that Schedule D-118 outline the basic program elements, including customer eligibility, use of a program administrator for delivery, the seasonal nature of selected incentive offers, and that current incentive levels may change. Specific details on all aspects of the program including incentive

¹⁵ Annual reports are available at <https://www.pacificorp.com/environment/demand-side-management.html>

levels, eligible equipment specifications and dates for incentive availability would be managed by the program administrator using a dedicated program web site with easy links from the Pacific Power web site. Changes in equipment specifications or incentive levels would be clearly posted on the Web site with at least 45 days advance notice.”

Wattsmart Homes and Wattsmart Business follow the same change process as detailed in the flow diagram in Advice Letter 518-E and shown in Exhibit D of this Application.

D. Funding Authorization

PacifiCorp requests funding authorization of \$7.179 million for the 2027-2030 program years. This includes \$4.053 million in incentive expenditures to achieve energy savings targets. Please refer to Tables 4 and 4.1 above for a detailed breakdown of 2027-2030 estimated expenditures by category, and 2027-2030 estimated expenditures compared to the Company’s 2024 annual report. The Company proposes tracking and reporting on annual expenditures relative to the overall 2027-2030 approved funding cap in annual reports.

IX. BRIDGE FUNDING REQUEST FOR PROGRAM YEAR 2027

Commission Decision 21-12-034 approved PacifiCorp’s Energy Efficiency programs and Surcharge to Fund Public Purpose Programs through 2026. Through informal discussions with Energy Division Staff, the Company determined that along with this application for the funding cycle that would follow (2027-2030), PacifiCorp should include a bridge funding request for program year 2027.

A. Basis for the Bridge Funding Request and Application Timeframe

As indicated in the background provided above, PacifiCorp is on a four-year application cycle. Historically, the Company has anticipated approximately 12 months to receive an order for its Energy Efficiency Program Applications. However, due to the change in scope of program

offerings and given the potential complexity of designing a new portfolio level program model, PacifiCorp is requesting approval for a bridge year (2027) to continue running programs under the existing structure of Wattsmart Business, Wattsmart Homes, and Home Energy Reports as distinct programs under an Equity portfolio. A bridge year will: (a) provide continuity in program funding and operations; (b) allow sufficient time for the Commission to review and issue an order regarding the Company's application; and (c) allow PacifiCorp adequate time to work through design, development, and launch of the new proposed model, including coordination with trade allies and communicating programmatic changes to its customers.

B. 2027 Bridge Year Funding Budget

PacifiCorp recommends maintaining the same funding level of \$1,240,865 for Wattsmart Business and Wattsmart Homes as approved for 2026 in the 2025-2026 BBAL. The proposed budget for 2026 is lower than the amount approved in D.21-12-034 (\$1,647,370) primarily due to reduced incentive expenditure anticipated as a result of declining savings. Table 9 below shows PacifiCorp's budget for 2022-2026, as approved in the Company's BBAL filings for 2023-2024 and 2025-2026.¹⁶

Table 9: 2025-2026 Biennial Budget Advice Letter Updated Expenditures for 2022-2026						
Program	2022	2023	2024	2025	2026	Total
Home Energy Savings - equity	\$ 37,787	\$ 146,032	\$ 151,717	\$ 260,375	\$ 268,047	\$ 863,958
Home Energy Reports - equity	\$ -	\$ 122,124	\$ 78,228	\$ 79,026	\$ 117,549	\$ 396,927
Wattsmart Business - resource acquisition	\$ 941,586	\$ 504,902	\$ 649,960	\$ 829,398	\$ 855,269	\$ 3,781,115
Total Expenditures	\$ 979,373	\$ 773,058	\$ 879,905	\$ 1,168,799	\$ 1,240,865	\$ 5,042,000

PacifiCorp proposes to transition the Home Energy Reports program beginning January 2027. This transition is not expected to impact kilowatt-hour savings, as the program currently does not generate quantifiable savings due to the small size of the treatment group. PacifiCorp

¹⁶ Advice Letter 675-E, PacifiCorp's 2025-2026 BBAL, Table 3, p.9 shows authorized expenditures to run programs in 2026.

does not expect increased expenditure from expanding report offerings to all residential and small commercial customers. The Company will monitor and report on customer engagement metrics—including open rates, click-through rates, and satisfaction levels—as indicators of the program’s value to customers.

C. 2027 Public Purpose Charge

Currently, PacifiCorp does not anticipate needing to update the Public Purpose Charge for 2027. If the Commission approves PacifiCorp’s bridge funding request for program year 2027, the Company proposes filing a Tier 2 advice letter by September 30, 2026, to adjust the Public Purpose Surcharge if needed. PacifiCorp proposes to use the Tier 2 advice letter process outlined in General Order (GO) 96-B, as adopted for program years 2022-2026 in D.21-12-034.

D. Program Change Process

PacifiCorp proposes maintaining the existing program change process for program year 2027 as described above for the 2027-2030 funding cycle.

X. BUDGET RECOVERY

Budget recovery is proposed using the Demand Side Management Balancing Account. Revenue collected to fund PacifiCorp’s energy efficiency programs is managed through the collection of the Public Purpose Charge (Schedule S-191) and tracked in the company’s Demand Side Management Balancing Account. The annual review (annual report) provided each March will contain monthly detailed revenue and expenditure and the account balance for the prior year.

PacifiCorp proposes making no adjustment to the Public Purpose Charge (Schedule S-191) until the Commission has reviewed and issued an order in this proceeding.

X. FUTURE CHANGES TO THE SURCHARGE

To ensure expeditious delivery of changes to the Programs and maintain adequate funding

levels, as previously authorized in D.21-12-034, PacifiCorp requests approval to continue making future changes to the Surcharge using a Tier 2 advice letter process as outlined in General Order (GO) 96-B in lieu of the formal application process. GO 96-B allows for the use of an advice letter process to modify tariffs or seek a rate increase to conform to statutory requirements or a Commission order.¹⁷

Due to the small size of PacifiCorp's service territory, there is a lack of forecast diversity for energy efficiency programs. Changes in Program participation can cause greater fluctuations in the balancing account over a shorter period than would be the case of a larger portfolio. Use of an advice letter allows more timely adjustment of the Surcharge to maintain the proper balance in the balancing account and reduce the rate impact to customers. Approval to continue using an advice letter for future changes to the Surcharge is consistent with previous Commission orders, due to its administrative efficiency.

XI. STATUTORY AND REGULATORY REQUIREMENTS

A. Applicant and Correspondence (Rules 2.1 (a) and (b))

PacifiCorp is a public utility organized and exists under the laws of the State of Oregon. PacifiCorp engages in the business of generating, transmitting and distributing electric energy in portions of Northern California and in the states of Oregon, Washington, Utah, Wyoming, and Idaho. PacifiCorp's principal place of business is 825 NE Multnomah Street, Suite 2000, Portland, Oregon 97232.

¹⁷ See GO 96-B, Section 5.1, Matters Appropriate to Advice Letters.

Communications regarding this Application should be addressed to:

Pooja Kishore
Regulatory Manager
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, Oregon, 97232
Telephone: (503) 813-7314
Email: californiadockets@pacificorp.com
Pooja.kishore@pacificorp.com

and

Joe Dallas
Assistant General Counsel
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, Oregon, 97232
Telephone: (503) 813-5701
Email: joe.dallas@pacificorp.com

Additionally, PacifiCorp respectfully requests that all data requests regarding this matter be addressed to:

By E-mail (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, Oregon 97232

B. Statutory and Procedural Authority (Rule 2.1)

PacifiCorp's authority for this request includes, but is not limited to, Sections 381, 451, 491, 701 and 702 of the California Public Utilities Code, and prior decisions, and orders and resolutions of the Commission. PacifiCorp's request is consistent with Rules 1.5 through 1.11 and 1.13 of the Commission's Rules of Practice and Procedure, which specify the procedures for the filing of documents. Additionally, this request is consistent with Rules 2.1, 2.2 and 3.2.

C. Proposed Categorization, Need for Hearing, Issues to be Considered, Relevant Safety Considerations, and Proposed Schedule (Rule 2.1(c))

1. Proposed Categorization, Need for Hearing, and Issues to be Considered

PacifiCorp proposed that the Commission classify this proceeding as rate setting. No hearings are necessary for the Commission to act upon PacifiCorp's request. PacifiCorp's Application and supporting exhibits constitute a sufficient record for the Commission to base its decision without the need for hearings. However, PacifiCorp is prepared to provide other such information as the Commission may require during its review of this Application. The issues in the proceeding relate to PacifiCorp's proposed revisions to its energy efficiency programs and continuation of the Surcharge to support the programs as described in this Application.

2. Safety Considerations

In D.16-01-017, the Commission amended Rule 2.1(c) to require that applications clearly state the "relevant safety considerations." PacifiCorp is committed to promoting the health, safety, comfort and convenience of customers and the public at large. The Company complies with all applicable safety codes, including, but not limited to, the National Electric Safety Code, the Occupational Health and Safety Act, and any applicable state health and safety act requirements, at all of its generation facilities. Certain safety codes may also be applicable to the operation of the Company's transmission and distribution facilities. PacifiCorp has developed standards that meet or exceed the National Electrical Safety Code. Employees are trained in work practice regulations along with Company construction standards to the highest standards and consistency.

The Company prioritizes safety for all resources and to the benefit of all employees, customers, and stakeholders. The Company has not identified any safety issues that are presented with this Application.

3. Proposed Schedule

PacifiCorp respectfully requests and proposes the following schedule:

Event	Estimated Timeline
Application Filed	September 30, 2025
Protests/Responses Due	Due 30 days after it appears on the Commission's daily calendar
Response to Protests Due	Due within 10 days of the protest deadline
Prehearing Conference	February 2026
Scoping Memo	March 2026
Proposed Decision	May 2026
Final Commission Decision	June 2026

D. Organization and Qualification to Transaction Business (Rule 2.2)

A certified copy of PacifiCorp's Articles of Incorporation, as amended, and presently in effect was filed with the Commission in A.97-05-011, which resulted in issuance of D.97-12-093 and is incorporated by reference pursuant to Rule 2.2 of the Commission's Rules of Practice and Procedure.

E. List of Exhibits

The following exhibits are attached and incorporated by reference to this Application:

Exhibit A – Measure List

Exhibit B – Overall Portfolio Metrics – Hard-to-Reach Reporting Descriptions

Exhibit C – ICF Memo: PacifiCorp California Portfolio and Program Level Cost-Effectiveness Results – Program Years 2027-2030 PacifiCorp Cost Category Reporting Descriptions

Exhibit D – Program Change Process from Advice Letter 518-E filed February 24, 2015

XII. CONCLUSION

WHEREFORE, PacifiCorp respectfully requests that the Commission issue an order, effective June 30, 2026, authorizing PacifiCorp to (1) revise its existing energy efficiency

programs starting in 2028 (2) continue operation and funding of its existing program through 2027, and (3) continue using the Tier 2 advice letter process to request changes to the Surcharge.

Respectfully submitted this September 30, 2025, at Portland, Oregon.

By 
Joe Dallas

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Attorney for PacifiCorp

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Application of PACIFICORP (U 901 E), an
Oregon Company, to Continue its Energy
Efficiency Programs, the Surcharge to Fund
Public Purpose Programs and Bridge Funding
for Program Year 2027

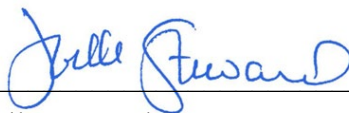
Application No. 25-09-____
(Filed September 30, 2025)

VERIFICATION

I am an officer of the applicant in the above-captioned proceeding and am authorized to make this verification on its behalf. The statements in the foregoing document are true on my own knowledge, except as to matters which are stated therein on information or belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on September 30, 2025 at Salt Lake City, Utah.



Joelle Steward
Senior Vice President, Regulation

Exhibit A – Measure List

1	WSH	DEER:ClothesDishWasher	Advanced tier, standard-size, electric heat pump clothes dryer, any voltage, ventless, dwelling
2	WSH	DEER:ClothesDishWasher	Advanced tier, standard-size, electric heat pump clothes dryer, any voltage, vented, dwelling
3	WSH	DEER:HVAC_Eff_HP	Residential smart thermostat heat pump (direct install)
4	WSH	DEER:HVAC_Eff_HP	Residential smart thermostat heat pump (direct install)
5	WSH	DEER:HVAC_Eff_HP	Residential smart thermostat heat pump (direct install)
6	WSH	DEER:HVAC_Eff_AC	Duct seal and test, residential, medium to low (25% to 15%) for DMO
7	WSH	DEER:HVAC_Eff_AC	Duct seal and test, residential, high to low (35% to 15%) for DMO
8	WSH	DEER:HVAC_Eff_AC	Duct seal and test, residential, medium to low (24% to 12%) for SFm/MFm < 2006
9	WSH	DEER:HVAC_Eff_AC	Duct seal and test, residential, high to low (40% to 12%) for SFm/MFm < 2006
10	WSH	DEER:HVAC_Eff_AC	Duct seal and test, residential, medium to low (24% to 12%) for SFm/MFm < 2006
11	WSH	DEER:HVAC_Eff_AC	Duct seal and test, residential, high to low (40% to 12%) for SFm/MFm < 2006
12	WSH	DEER:ClothesDishWasher	HP water heater: 45 to 55 gal (UEF = 3.30) replacing electric storage water heater: 30 gal (UEF = 0.92)
13	WSH	DEER:ClothesDishWasher	HP water heater: 45 to 55 gal (UEF = 3.30) replacing electric storage water heater: 30 gal (UEF = 0.92)
14	WSH	DEER:ClothesDishWasher	HP water heater: 45 to 55 gal (UEF = 3.30) replacing electric storage water heater: 30 gal (UEF = 0.92)
15	WSH	DEER:ClothesDishWasher	HP water heater: 45 to 55 gal (UEF = 3.30) replacing electric storage water heater: 40 gal (UEF = 0.92)
16	WSH	DEER:ClothesDishWasher	HP water heater: 45 to 55 gal (UEF = 3.30) replacing electric storage water heater: 40 gal (UEF = 0.92)
17	WSH	DEER:ClothesDishWasher	HP water heater: 45 to 55 gal (UEF = 3.30) replacing electric storage water heater: 40 gal (UEF = 0.92)
18	WSH	DEER:ClothesDishWasher	HP water heater: 45 to 55 gal (UEF = 3.30) replacing electric storage water heater: 50 gal (UEF = 0.92)
19	WSH	DEER:ClothesDishWasher	HP water heater: 45 to 55 gal (UEF = 3.30) replacing electric storage water heater: 50 gal (UEF = 0.92)
20	WSH	DEER:ClothesDishWasher	HP water heater: 45 to 55 gal (UEF = 3.30) replacing electric storage water heater: 50 gal (UEF = 0.92)
21	WSH	DEER:HVAC_Eff_HP	Existing Single Family Home HVAC Conversion - Convert FAF w/CAC to Heat Pump - Heating Zone 1
22	WSH	DEER:HVAC_Eff_HP	Existing Manufactured Home HVAC Conversion - Convert FAF w/CAC to Heat Pump - Heating Zone 1
23	WSH	DEER:HVAC_Eff_HP	Existing Single Family Home HVAC Conversion - Convert FAF wo/CAC to Heat Pump - Heating Zone 1
24	WSH	DEER:HVAC_Eff_HP	Existing Manufactured Home HVAC Conversion - Convert FAF wo/CAC to Heat Pump - Heating Zone 1
25	WSH	DEER:HVAC_Eff_HP	Install Ductless Heat Pump in House with Existing FAF - Single Family Home - HZ1
26	WSH	DEER:HVAC_Eff_HP	Install Ductless Heat Pump in House with Existing FAF - Manufactured Home - HZ1
27	WSH	DEER:HVAC_Eff_HP	Install Ductless Heat Pump in House with Existing Zonal Heat - Single Family Home - HZ1
28	WSH	DEER:HVAC_Eff_HP	Install Ductless Heat Pump in House with Existing Zonal Heat - Manufactured Home - HZ1
29	WSH	DEER:HVAC_Eff_HP	Existing_MF_Low_Rise_DHP_HZ1
30	WSH	DEER:HVAC_Eff_HP	Existing_MF_Mid_Rise_DHP_HZ1
31	WSH	DEER:ClothesDishWasher	Energy Savings Kit - Named Communities - CA
32	WSB	DEER:Indoor_CFL_Ltg	UL Type B LED mogul base lamp, 27 W to < 43 W, retrofitting 100 W HPS outdoor area & roadway luminaire, AR
33	WSB	DEER:Indoor_CFL_Ltg	UL Type B LED mogul base lamp, 43 W to < 71 W, retrofitting 150 W HPS outdoor area & roadway luminaire, AR
34	WSB	DEER:Indoor_CFL_Ltg	UL Type B LED mogul base lamp, 27 W to < 43 W, retrofitting outdoor area & roadway luminaire, NR
35	WSB	DEER:Indoor_CFL_Ltg	UL Type B LED mogul base lamp, 97 W to < 122 W, retrofitting outdoor area & roadway luminaire, NR
36	WSB	DEER:Indoor_CFL_Ltg	UL Type B LED mogul base lamp, 197 W to < 217 W, retrofitting outdoor area & roadway luminaire, NR
37	WSB	DEER:Indoor_CFL_Ltg	Heat pump water heater, => 45 to <= 55 gal, UEF = 3.30, replacing electric storage water heater, 30 gal, UEF = 0.92
38	WSB	DEER:HVAC_Split-Package_AC	Unitary air-cooled, commercial packaged AC, 65 - 134 kBtu/hr, 11.5 EER
39	WSB	DEER:HVAC_Split-Package_AC	Unitary air-cooled, commercial packaged AC, 65 - 134 kBtu/hr, 11.5 EER
40	WSB	DEER:HVAC_Split-Package_AC	Unitary air-cooled, commercial packaged AC, 65 - 134 kBtu/hr, 12 EER
41	WSB	DEER:HVAC_Split-Package_AC	Unitary air-cooled, packaged AC, 33 - 65 kBtu/hr, 15.2 SEER2, with economizer
42	WSB	DEER:HVAC_Split-Package_HP	Unitary air-cooled, packaged HP, 33 - 65 kBtu/hr, 16.2 SEER2, with economizer
43	WSB	DEER:HVAC_Split-Package_AC	Unitary air-cooled, split AC, 33 - 65 kBtu/hr, 15.2 SEER2, with economizer
44	WSB	DEER:HVAC_Split-Package_AC	Unitary air-cooled, split AC, 33 - 65 kBtu/hr, 16.2 SEER2, with economizer
45	WSB	DEER:HVAC_Split-Package_AC	Unitary air-cooled, split AC, 33 - 65 kBtu/hr, 16.2 SEER2, with economizer
46	WSB	DEER:HVAC_Split-Package_AC	Install VFD on existing motor in unitary AC system
47	WSB	DEER:HVAC_Split-Package_AC	VSD on HVAC fan control
48	WSB	DEER:HVAC_Split-Package_AC	VSD on HVAC fan control
49	WSB	DEER:HVAC_Split-Package_AC	VSD on HVAC fan control
50	WSB	DEER:HVAC_Split-Package_AC	VSD on HVAC fan control
51	WSB	DEER:HVAC_Split-Package_AC	VSD on HVAC fan control
52	WSB	DEER:Indoor_CFL_Ltg	WA T8 4ft Replacement UL Type A
53	WSB	DEER:Indoor_CFL_Ltg	WA T8 4ft Replacement UL Type A+B
54	WSB	DEER:Indoor_CFL_Ltg	WA T8 4ft Replacement UL Type C
55	WSB	DEER:Indoor_CFL_Ltg	WA T8 4ft Replacement UL Type B
56	WSB	DEER:Indoor_CFL_Ltg	WA T8 4ft Replacement Linear Retrofit Kits for 1x4 Luminaires
57	WSB	DEER:Indoor_CFL_Ltg	WA T8 2ft Replacement UL Type A
58	WSB	DEER:Indoor_CFL_Ltg	WA T8 2ft Replacement UL Type B
59	WSB	DEER:Indoor_Non-CFL_Ltg	HID Low-Bay Mogul Replacement LED Lamp ballast bypass
60	WSB	DEER:Indoor_Non-CFL_Ltg	HID High-Bay Mogul Replacement LED Lamp ballast bypass
61	WSB	DEER:Indoor_Non-CFL_Ltg	Int. Lighting - Lighting with Advanced Controls - CA
62	WSB	DEER:HVAC_Split-Package_AC	<= 7 kBtu/hr high efficiency (exceeding code by 20%) package terminal AC (Non Res) DX equipment, NR
63	WSB	DEER:HVAC_Split-Package_AC	7 - 15 kBtu/hr high efficiency (exceeding code by 20%) package terminal AC (Non Res) DX equipment, NR
64	WSB	DEER:HVAC_Split-Package_HP	<= 7 kBtu/hr high efficiency (exceeding code by 20%) package terminal HP (Non Res) DX equipment, NR
65	WSB	DEER:HVAC_Split-Package_HP	> 15 kBtu/hr high efficiency (exceeding code by 20%) package terminal HP (Non Res) DX equipment, NR
66	WSB	DEER:HVAC_Split-Package_HP	7 - 15 kBtu/hr high efficiency (exceeding code by 20%) package terminal HP (Non Res) DX equipment, NR
67	WSB	DEER:HVAC_Split-Package_HP	Connected Thermostat - Resistance Heat - No Cooling - Retail Food Sales
68	WSB	DEER:HVAC_Split-Package_HP	Connected Thermostat - Resistance Heat - Has Cooling - Non-Grocery
69	WSB	DEER:HVAC_Split-Package_HP	Connected Thermostat - Resistance Heat - No Cooling - Non-Grocery

Exhibit B – Overall Portfolio Metrics – Hard-to-Reach Reporting Descriptions

The descriptions below for each program explain how PacifiCorp is currently collecting the data used to identify participants who meet the Hard-to-Reach criteria defined in California Public Utilities Commission Decision 18-05-041, pages 159-160 (copied at the end of this exhibit).

All participants in both programs meet the geographic criteria.

Home Energy Savings

Data on hard-to-reach criteria is requested from all participants.

Language – Primary language spoken is other than English

Data used to identify participants who meet this criteria is based on self-reported information from the participant contact on their incentive application. They answer the question “Is customer’s primary language a language other than English?”

Income – Those customers who qualify for the California Alternative Rates for Energy (CARE)

Data used to identify participants who meet this criteria is based on self-reported information for the household from the participant contact on their incentive application. They answer the question “Is your household eligible for California Alternative Rates for Energy (CARE)?”

Housing Type – Multi-family and Mobile Home Tenants (rent and lease)

Data used to identify participants who meet this criteria is based on self-reported information from the participant contact on their incentive application. Participants provide their home type (single-family, multi-family or manufactured home) and answer this question – “Do you rent/lease the location where the product(s) were installed?”

Wattsmart Business

Data on hard-to-reach criteria is requested for all participants.

Language – Primary language spoken is other than English

Data used to identify participants who meet this criteria is based on self-reported information from the participant contact on their incentive application.¹ They answer the question “Contact primary

¹ An example Wattsmart Business incentive application is available at https://www.pacificpower.net/content/dam/pcorp/documents/en/pacificpower/savings-energy-choices/wattsmart-business/california/CA_wattsmartBusiness_General_Application_with_address.pdf

language spoken is language other than English?” for themselves as the participant contact (not for the business overall).

Business size – Less than ten employees and/or classified as Very Small – Customers whose annual electric demand is less than 20 kilowatts (kW)

Data used to identify participants who meet this criteria is based on the rate schedule code for the electric account associated with the project. PacifiCorp may collect information on number of employees in the future.

Leased or Rented Facilities – Investments in improvements to a facility rented or leased by a participating business customer

Data used to identify participants who meet this criteria is based on self-reported information from the participant on their incentive application. Participants answer this question for the project site – “Does Participant rent/lease the project site location?”

Reference Information copied from Decision 18-05-041, pages 159-160

<http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M215/K706/215706139.PDF>

For purposes of administering energy efficiency programs, hard-to-reach customers are defined pursuant to the criteria identified in Resolution G-3497, with one modification. Specifically:

Specific criteria were developed by Staff to be used in classifying a customer as hard-to-reach. Two criteria are considered sufficient if one of the criteria met is the geographic criteria defined below. There are common as well as separate criteria when defining hard-to-reach for residential versus small business customers. The barriers common to both include:

- o Those customers who do not have easy access to program information or generally do not participate in energy efficiency programs due to a combination of language, business size, geographic, and lease (split incentive) barriers. These barriers to consider include:

- ☐ Language – Primary language spoken is other than English, and/or

- ☐ Geographic –

- ☐ Businesses or homes in areas other than the United States Office of Management and Budget Combined Statistical Areas of the San Francisco Bay Area, the Greater Los Angeles Area and the Greater Sacramento Area or the Office of Management and Budget metropolitan statistical areas of San Diego County.

- ☐ Businesses or homes in disadvantaged communities, as identified by CalEPA pursuant to Health and Safety Code Section 39711.

- o For small business added criteria to the above to consider:

- ☐ Business Size – Less than ten employees and/or classified as Very Small (Customers whose annual electric demand is less than 20 kilowatts, or whose annual gas consumption is less than 10,000 therm, or both), and/or

- ☐ Leased or Rented Facilities – Investments in improvements to a facility rented or leased by a participating business customer

o For residential added criteria to the above to consider:

- ☐ Income – Those customers who qualify for the California Alternative Rates for Energy (CARE) or the Family Electric Rate Assistance Program (FERA), and/or
- ☐ Housing Type – Multi-family and Mobile Home Tenants (rent and lease)

Exhibit C – California 2027-2030 Energy Efficiency Target Development

Memorandum

To: Jay Olson, Alex Osteen, PacifiCorp
From: Eli Morris, Andy Hudson, Elizabeth Applegate, ICF
Date: 30 September 2025
Re: PacifiCorp California Portfolio and Program Level Cost-Effectiveness Results – Program Years 2027-2030

ICF estimated the cost-effectiveness of PacifiCorp's overall energy efficiency portfolio in the state of California based on Program Year (PY) 2027-2030 costs and savings estimates provided by PacifiCorp. ICF performed this cost-effectiveness analysis with the CEDARS (California Energy Data and Reporting System) CET (cost-effectiveness tool) and eTRM (electronic technical reference manual) resources. This memo provides cost-effectiveness results at the portfolio and program levels for each year individually and in total over the four-year period.

The programs individually and as a portfolio do not pass either the TRC or PAC tests with administrative costs included in any individual year or all years combined. When administrative costs are excluded, the portfolio passes the TRC in 2030 but the PAC test does not pass in any years. The Wattsmart Business program passes the TRC and PAC tests for all years when no administrative costs are included. The Wattsmart Homes program does not pass either the TRC or PAC tests with or without administrative costs included in any individual year or all years combined.

This memo provides analysis inputs and results in the following tables:

- [Table 1: Cost-Effectiveness Analysis Inputs](#)
- [Table 2: Portfolio Level Costs](#)
- [Table 3: 2027-2030 Total Portfolio Cost-Effectiveness Results](#)
- [Table 4: 2027-2030 HER Cost-Effectiveness Results](#)
- [Table 5: 2027-2030 WSH Cost-Effectiveness Results](#)
- [Table 6: 2027-2030 WSB Cost-Effectiveness Results](#)

The following assumptions were utilized in the analysis:

- **Avoided Costs:** PacifiCorp incorporated its avoided costs into the CEDARS platform at the end of 2024 using the 2024 avoided cost calculator (ACC) version 1b, utilizing PacifiCorp-specific assumptions where available, including global inputs such as discount rate and inflation escalators, as well as energy price forecasts and capacity costs and losses, including generation capacity and transmission and distribution factors. The outputs of the ACC were further shaped by:
 - *DEER Load Shapes:* Hourly load shapes from the Database for Energy Efficiency Resources (DEER) are used to model energy usage patterns and calculate time-dependent avoided costs.
 - *Generalized Load Shape Parameters (GLSPs):* These are aggregated and standardized load shapes used across measures to ensure consistency in cost-effectiveness modeling.
- **Modeling Inputs:**
 - Measure savings, incremental costs, measure lives, and other standard prescriptive measure assumptions were sourced from the CA eTRM permutation files for climate zone 16.
 - Measure quantities, incentive levels, and program costs were provided by PacifiCorp.
 - All custom measures were created using values provided by PacifiCorp and sourced from Regional Technical Forum (RTF) workpapers.
- **Discount Rate:** Cost-effectiveness results for each year from 2027 to 2030 are discounted to the first year, 2027, using a discount rate of 6.88% as specified in the CET.
- **Other Assumptions:** all other CET inputs are available on the CEDARS website on the [CET CEI Value Lists](#)² page. These value lists include all valid entries for any program year and are sourced from DEER, CET, or CEDARS.

Tables 1 and 2 below summarize cost-effectiveness assumptions for the PacifiCorp California energy efficiency portfolio. All costs and impacts are presented at the portfolio level.

Table 1: Cost-Effectiveness Analysis Inputs

Parameter	Value
Discount Rate	6.88%
Inflation Rate ³	2.16%

² https://cedars.cpuc.ca.gov/cet_ui/spec/

³ Future values in avoided costs determined using a 2.16% annual escalator.

Table 2: Utility Costs at Portfolio level

Category	2027	2028	2029	2030	% of Total
Administrative Costs	\$100,000	\$100,000	\$100,000	\$100,000	5%
Incentive Payments	\$1,013,348	\$1,013,348	\$1,013,348	\$1,013,348	55%
Direct Implementation (non-incentives)	\$671,639	\$671,639	\$671,639	\$671,639	37%
IOUs Administered Marketing, Education, and Outreach	\$0	\$0	\$0	\$0	0%
Program Evaluation	\$50,000	\$50,000	\$50,000	\$50,000	3%
Total	\$1,834,987	\$1,834,987	\$1,834,987	\$1,834,987	100%

Tables 3 through 6 present the cost-effectiveness results at the portfolio and program levels and include the Total System Benefits, savings impacts, and budget amounts.

Table 3: Portfolio Level Cost-Effectiveness Results, PY2027-2030

Year	Total System Benefit	TRC	PAC	TRC (no admin)	PAC (no admin)	RIM	Budget	Gross kWh	Gross kW	Net kWh	Net kW
2027	\$829,693	0.48	0.47	0.92	0.87	0.47	\$1,834,987	1,001,837	342	716,377	225
2028	\$795,732	0.50	0.48	0.95	0.90	0.48	\$1,834,987	1,001,837	342	716,377	225
2029	\$768,451	0.52	0.50	0.99	0.93	0.50	\$1,834,987	1,001,837	342	716,377	225
2030	\$734,102	0.54	0.52	1.02	0.96	0.52	\$1,834,987	1,001,837	342	716,377	225
2027-2030	\$3,127,978	0.51	0.49	0.97	0.91	0.49	\$7,339,948	4,007,346	1,368	2,865,509	898

Table 4: HER Program Level Cost-Effectiveness Results, PY2027-2030

Year	Total System Benefit	TRC	PAC	TRC (no admin)	PAC (no admin)	RIM	Budget	Gross kWh	Gross kW	Net kWh	Net kW
2027	\$0	0.00	0.00	0.00	0.00	0.00	\$100,000	0	0	0	0
2028	\$0	0.00	0.00	0.00	0.00	0.00	\$100,000	0	0	0	0
2029	\$0	0.00	0.00	0.00	0.00	0.00	\$100,000	0	0	0	0
2030	\$0	0.00	0.00	0.00	0.00	0.00	\$100,000	0	0	0	0
2027-2030	\$0	0.00	0.00	0.00	0.00	0.00	\$400,000	0	0	0	0

Table 5: WSH Program Level Cost-Effectiveness Results, PY2027-2030

Year	Total System Benefit	TRC	PAC	TRC (no admin)	PAC (no admin)	RIM	Budget	Gross kWh	Gross kW	Net kWh	Net kW
2027	\$400,108	0.39	0.41	0.63	0.66	0.41	\$1,029,739	277,893	14	250,104	13
2028	\$383,121	0.41	0.42	0.65	0.68	0.42	\$1,029,739	277,893	14	250,104	13
2029	\$369,561	0.42	0.44	0.68	0.71	0.44	\$1,029,739	277,893	14	250,104	13
2030	\$352,686	0.44	0.45	0.70	0.73	0.45	\$1,029,739	277,893	14	250,104	13
2027-2030	\$1,505,475	0.41	0.43	0.66	0.70	0.43	\$4,118,956	1,111,573	58	1,000,416	52

Table 6: WSB Program Level Cost-Effectiveness Results, PY2027-2030

Year	Total System Benefit	TRC	PAC	TRC (no admin)	PAC (no admin)	RIM	Budget	Gross kWh	Gross kW	Net kWh	Net kW
2027	\$429,585	0.72	0.63	1.62	1.23	0.63	\$705,248	723,943	328	466,273	212
2028	\$412,611	0.74	0.65	1.67	1.27	0.65	\$705,248	723,943	328	466,273	212
2029	\$398,891	0.77	0.68	1.75	1.33	0.68	\$705,248	723,943	328	466,273	212
2030	\$381,416	0.80	0.70	1.80	1.37	0.70	\$705,248	723,943	328	466,273	212
2027-2030	\$1,622,502	0.75	0.66	1.70	1.29	0.66	\$2,820,992	2,895,773	1,310	1,865,093	847

Exhibit D – PacifiCorp Program Change Process

Program Change Process from Advice Letter 518-E filed February 24, 2015

Pacific Power Flexible Tariff Format – Change Process - California

This process applies to specific program details managed outside of the program tariff such as:

- Incentive tables
- Program definitions
- General incentive information

